

# **PENTAGON RENOVATION PROGRAM (PENREN)**

**20 APR 2001**

## **ACQUISITION APPROVAL THRESHOLDS**

**PMD 98-06B**

Policy OPR: Acquisition Policy Group


**1.0 References.** The principle references are FAR Parts 6 and 36, together with DFAR Part 219. Additional specific references are made on enclosure 1, Acquisition Approval Thresholds.

**2.0 Applicability.** This policy applies to all members of the PENREN Program.

**3.0 Policy.** The approval thresholds are established with a view toward empowerment to the appropriate action level consistent with law and regulation. Required approvals, reviews, and signatures occurring during or prior to the major events in the acquisition process are mandatory and require documentation in the contract file. The Contracting Officer has responsibility for maintaining the contract file.

**4.0 Process.** The process for approvals is charted by dollar value from the lowest to the highest. See enclosure 1, Acquisition Approval Thresholds. Action officers will refer to the detailed instructions available from the FAR, DFARS, and PENREN Program Management Policies cited in enclosure 1 for each event. Enclosure 2 provides a Sample Coordination and Approval Sheet that may be modified or annotated as required to fit the circumstances of each event that requires a record of coordination or approval. Justifications and Approvals required by FAR Part 6 are addressed in PMP 99-32A, Competition Advocate.

**5.0 Effective Date.** This policy is effective immediately and supersedes PMD 98-06A.

  
**Walker Lee Evey**  
**Program Manager**

2 Enclosures:  
As stated

## ACQUISITION APPROVAL THRESHOLDS

Dollar Threshold	Subject	Approval/Approval By	FAR, DFAR, and Other	Comments
None	All unauthorized commitments requiring ratification	Ratification by Acquisition and Contracting Group Leader up to \$5,000 and Deputy Program Manager if over \$5,000.	FAR 1.602-3 PMP 99-34A	Action is mandatory
Under \$2,500	IMPAC Purchases	Card Holder	PMP 00-02	PENREN's preferred method for small purchases under \$2,500.
Over \$2,500	IMPAC Purchases	Contracting Officer	PMP 00-02	CO may approve some IMPAC purchases over \$2,500.
Exceeding \$2500, but not over \$100,000	Automatic Small Business set aside (with exceptions)	Contracting Officer	FAR 19.502-2(a)	See FAR Part 36 and this Chart for variations
T for D if more than \$10,000	Prepare Performance Report	COR normally prepares. PENREN PM reviews	FAR 36.201(a)(ii) PMP 99-07C	Construction, Termination for Default only
A/E contracts - more than \$25,000	Prepare Performance Reports	COR normally prepares. PM normally reviews.	FAR 36.604	Contracting Officer may direct preparation on contracts valued under \$25,000. Prepared after performance complete
A/E contracts - under \$85,000	Set aside A/E Services for small business	Contracting Officer	DFAR 219.502-2(a)(iii)	Contracting Officer determines SB Set Aside
\$85,000 or more	Do <u>not</u> set aside for SB	Contracting Officer	DFAR 219.502-1(2)	Also see DFAR 219.502-1
\$100,000 or more	Government estimate of construction costs	Furnished to the Contracting Officer	FAR 36.203(a)	Prepared prior to receipt of contractor's proposal if practical. May not be practical in design-build situations.
\$100,000 – A/E Contracts	Independent Government Cost Estimate for A/E work	Furnished to the Contracting Officer	FAR 36.605(a)	Detailed analysis required prior to negotiations

## ACQUISITION APPROVAL THRESHOLDS

Dollar Threshold	Subject	Action/Approval by	FAR, DFAR, and Other	Comments
\$100,000 or more (sealed bid – construction)	Pre-solicitation notice for construction sealed bids	Contracting Officer	FAR 36.701 FAR 36.213-2(a)	CO may require notice if construction may be less than \$100,000
Over \$2,500 to \$100,000	SB set-aside Review	Contracting Officer and SADB Program Manager	FAR 19.502-2(b)	Meeting the criteria of FAR 19.502 requires action by the Contracting Officer
Contract awards (except Task and Delivery Orders) and contract modifications of \$250,000 or more	Review for legal sufficiency.	Legal Counsel	PMP 98- 06B	Includes contracts (excluding Task Orders and Delivery Orders) and modifications.
\$500,000 or more	Past Performance Evaluation	COR normally prepares. PM reviews	FAR 36.201(a)(I) PMP 99-07C	COR normally is Assessing Official
Not exceeding \$500,000	Justification for other than full and open competition	Contracting Officer	FAR 6.304(a)(1)	Certification required by FAR 6.303-2(a)(12) is approval
Expected to exceed \$500,000 and \$1,000,000 for construction	Review of the required Subcontracting Plan	Contracting Officer	FAR 19.702(a) (1) and (2) DFAR 219.705-4	Acceptable to the Contracting Officer. Less than 5% set aside requires approval two levels above the Contracting Officer
Over \$500,000 but not more than \$10M.	Approval of other than full and open competition	Competition Advocate – up to \$10M (DPM - over \$10M)	FAR 6.304(a)(2)	
\$1,000,000 or more	Approval of Acquisition Plan (AP)	Program Manager	FAR Part 6 PMP 98-05	See PMP 98-05
Over \$10M	Approval of other than full and open competition	Deputy Program Manager	FAR 6.304(a)(3) and (4)	

**PENTAGON RENOVATION PROGRAM  
(PENREN)**

**SAMPLE  
JUSTIFICATION, COORDINATION, AND APPROVAL**

**PMD 98-06B**

PROJECT NAME:

REQUISITION NUMBER:

SOLICITATION NUMBER:

CONTRACT NUMBER:

ESTIMATED VALUE (include multi-years or options):

TYPE JUSTIFICATION, APPROVAL AND/OR WAIVER:

(This Attachment is intended as a sample coordination sheet for use in obtaining coordination or approvals for any of the actions listed in Enclosure 1 of PMD 98-06B. The list of coordination, approval, or waiver entities may be modified as appropriate for the action.)

AUTHORITY:

PREPARED BY:

Contracting Officer _____	Date _____
(or Contract Specialist)	
Geographic IPT Leader _____	Date _____

COORDINATION:

Legal _____	Date _____
User _____	Date _____
Technical Staff _____	Date _____
SADBU _____	Date _____
Competition Advocate _____	Date _____

APPROVAL(S):

Contracting Officer _____	Date _____
Approving Official _____	Date _____

**ENCL 2**